

REPORTS ANALYSIS REFERRAL

DATE: April 1, 2004

ANALYST: Colleen Manning

- I. COMMITTEE: Take Back the House
M. Mickey Williams, Treasurer
(C00359190)
12138 Central Avenue, Suite 194
Mitchelville, MD 20721
- II. RELEVANT STATUTES: 2 U.S.C. § 441a(a)
2 U.S.C. §441b(a)
11 CFR §102.5(b)
11 CFR §110.1(d)

III. BACKGROUND:

Receipt of Apparent Prohibited, Excessive and Impermissible Contributions

Take Back the House ("the Committee") disclosed an impermissible receipt from one (1) organization that is not registered with the Commission totaling \$2,500 during the 2002 July Quarterly reporting period and an excessive contribution from one (1) individual totaling \$5,000 during the 2002 October Quarterly reporting period. The Committee also disclosed a prohibited receipt from one (1) corporate entity totaling \$20,000 and an impermissible receipt from one (1) organization that is not registered with the Commission totaling \$25,000 during the 2002 30 Day Post-General reporting period.

On July 13, 2002, the Committee filed a 2002 July Quarterly Report which disclosed an impermissible receipt from one (1) organization that is not registered with the Commission totaling \$2,500 (Image # 22991287372).

On October 15, 2002, the Committee filed a 2002 October Quarterly Report which disclosed an excessive contribution from one (1) individual totaling \$5,000 (Image # 22992093576).

On December 5, 2002, the Committee filed a 2002 30 Day Post-General Report which disclosed a prohibited receipt from one (1) corporate entity and an impermissible receipt from one (1) organization that is not registered with the Commission totaling \$45,000 (Image # 22992930548).

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On March 5, 2003, a Request for Additional Information (RFAI) was sent to the Committee referencing the 2002 October Quarterly Report. The RFAI sought clarification regarding a contribution received from an individual that appeared to be in excess of the \$5,000 per calendar year limit and informed the Committee that it may have to refund the excessive amount. The RFAI further stated that the Committee may retain the funds if within 60 days of the date of receipt, the conditions for reattribution were met or the funds were transferred to an account not used to influence federal elections. In addition, the RFAI further stated that although the Commission may take further legal action, any prompt action by the Committee to seek reattribution, transfer out, or refund the excessive amount would be taken into consideration (Image # 23038003134).

On March 5, 2003, an RFAI was sent to the Committee referencing the 2002 30 Day Post-General Report. The RFAI sought clarification on the permissibility of the \$25,000 receipt from the unregistered organization and on the \$20,000 receipt from an apparent corporate entity. In addition, the RFAI stated the Committee may have to make a refund. Alternatively, the RFAI stated that if within 30 days of receipt the Committee transferred the prohibited amount to an account not used to influence federal elections, and provided written notice to the person making the contribution of the option of receiving a refund; it may retain the contribution in an account not used to influence federal elections. The RFAI further stated that although the Commission may take further legal action, any prompt action by the Committee to transfer out or refund the prohibited amount would be taken into consideration (Image # 23038003138).

On March 12, 2003, an RFAI was sent to the Committee referencing the 2002 July Quarterly Report. The RFAI sought clarification on the permissibility of the \$2,500 receipt from the unregistered organization. In addition, the RFAI stated the Committee may have to make a refund. Alternatively, the RFAI stated that if within 30 days of receipt the Committee transferred the prohibited amount to an account not used to influence federal elections, and provided written notice to the person making the contribution of the option of receiving a refund, it may retain the contribution in an account not used to influence federal elections. The RFAI further stated that although the Commission may take further legal action, any prompt action by the Committee to transfer out or refund the prohibited amount would be taken into consideration (Image # 23038011748).

On March 27, 2003, a Second Notice was sent to the Committee for failure to respond to the RFAI referencing the 2002 October Quarterly Report (Image # 23038023343).

On March 27, 2003, a Second Notice was sent to the Committee for failure to respond to the RFAI referencing the 2002 30 Day Post-General Report (Image # 23038023347).

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On April 3, 2003, a Second Notice was sent to the Committee for failure to respond to the RFAI referencing the 2002 July Quarterly Report (Image # 23038030897).

On April 25, 2003, the Reports Analysis Division (RAD) analyst spoke with Mr. Williams, the Treasurer, regarding the prohibited and impermissible receipts disclosed on the Committee's 2002 30 Day Post-General Report. The RAD analyst explained to Mr. Williams that a federally registered committee is unable to accept the type of contributions noted in the RFAI since the Commission is unsure of the source of these funds. The RAD analyst told Mr. Williams that the Committee needed to provide clarification and/or corrective action in regards to the prohibited funds that the Committee received or the matter could be referred to our Office of General Counsel (Attachment 1).

On May 13, 2003, Mr. Williams called to inform the RAD analyst that the Committee was still looking into the issues raised in the RFAI. Mr. Williams was not sure if the Committee is a political committee and did not understand why the funds received were impermissible. The RAD analyst instructed Mr. Williams to look at the Campaign Guide for Non-Connected Committees to further understand prohibited contributions and to take the appropriate action in order to remedy the outstanding issues (Attachment 2).

On May 16, 2003, in a response to a Commission inquiry, Michigan Regional Council of Carpenters, the unregistered organization referenced in the Committee's 30 Day Post-General RFAI, filed a letter with the Commission regarding its \$25,000 contribution to the Committee. The letter was a photo copy of a letter sent to the Committee and stated, "The Michigan Regional Council of Carpenters made a contribution of \$25,000 to the Democratic Majority's "Get Out the Vote" campaign. Subsequently, we have been notified that you have filed an FEC Form 3X with the Federal Election Commission, in the amount of \$25,000 on behalf of the "Take Back The House" committee. This was not our understanding on how this contribution was to be distributed." In addition, Michigan Regional Council of Carpenters stated, "We are not allowed to contribute to committees that influence Federal Elections. This money has to either be given back to us or has to be placed into a different fund that is not used to influence any Federal Elections. Correction of this situation must be done immediately" (Attachment 3).

On December 9, 2003, the RAD analyst left a message by phone for the Committee regarding the RFAI for the 2002 30 Day Post-General Report (Attachment 4).

On February 24, 2004, the RAD analyst spoke with Mr. Williams regarding the RFAI for the 2002 30 Day Post-General Report. Mr. Williams indicated that the Committee transferred the prohibited and impermissible funds to the Democratic Congressional Campaign Committee (DCCC). During the telephone conversation with Mr. Williams, the RAD analyst identified a \$15,000

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contribution to the DCCC disclosed on Schedule B supporting Line 23 of the 2002 30 Day Post-General Report. The RAD analyst stated to Mr. Williams that there is still \$30,000 in prohibited and impermissible funds that are not accounted for of the \$45,000. Mr. Williams stated that he would look for the DCCC contribution form that details the transfer of funds and asked the RAD analyst to call him on Thursday, February 26, 2004 to discuss the outstanding matter further (Attachment 5).

On February 26, 2004, the RAD analyst left a message by phone for the Committee regarding the RFAI for the 2002 July Quarterly, October Quarterly and 30 Day Post-General Reports (Attachment 6).

On February 27, 2004, Mr. Williams returned the RAD analyst's message from February 26, 2004. Mr. Williams indicated that he would be in his office on Monday, March 1, 2004 and that he could be reached during the day (Attachment 7).

On March 1, 2004, the RAD analyst left a message by phone for the Committee regarding the RFAI for the 2002 July Quarterly, October Quarterly and 30 Day Post-General Reports (Attachment 8).

As of this date, the Committee has not provided the Commission with any additional information regarding corrective action taken for the prohibited/excessive receipts.

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ATTACHMENTS 1-2 HAVE BEEN REMOVED

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23038081779



Michigan Regional Council of Carpenters • F.B.C.J.A. • A.R.L.-C.I.O.

FEC MAIL
OPERATIONS CENTER

MAY 16 AM 11:05

May 9, 2003

Democratic Majority
ATA Take Back the House
004126486944

To Whom it May Concern:

The Michigan Regional Council of Carpenters made a contribution of \$25,000 to the Democratic Majority's "Get Out the Vote" campaign. Subsequently, we have been notified that you have filed an FEC Form 3X with the Federal Election Commission, in the amount of \$25,000, on behalf of the "Take Back The House" committee.

This was not our understanding on how this contribution was to be distributed.

We are not allowed to contribute to committees that influence Federal Elections. This money has to either be given back to us or has to be placed into a different fund that is not used to influence any Federal Elections. Correction of this situation must be done immediately.

I have enclosed a copy of the letter we received from the Federal Election Commission on March 28, 2003 and their followup letter dated April 24, 2003 our "Get Out the Vote" contribution check #22680, in the amount of \$25,000, and a copy of the FEC Form 3X for your records.

Your prompt attention to this matter is required and appreciated. If you have any questions concerning this matter, please feel free to give me a call.

Please advise me as soon as possible which option you have used to correct this problem.

Sincerely,

Ronald Krochmalny
Director

RK/rmp
opeiu local 42/efi-ciu

Enclosures

cc: Collect Manning
Federal Election Commission

Certified Mail - Return Receipt Requested

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ATTACHMENTS 4-8 HAVE BEEN REMOVED

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RECEIVED
FEC MAIL ROOM

2002 MAR 20 A 10:11

MWJ Associates
Financial Management Consultants

March 17, 2002

Federal Election Commission
999 E Street NW
Washington, DC 20463

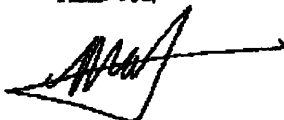
Re: Amended Statement of Organization for the following PACs

- Friends of Congressman John Conyers, Jr.
FEC ID C0008201
- Take Back the House
FEC ID C00359190

Dear Sirs:

Enclosed you will find FEC Form 1 Statement of Organization. This submission of Form 1 is related to changes for the PAC's named above. If there are any questions, please feel free to reach me at (202) 285-6212 or email at mwilli7265@aol.com.

Thank You,

M. Mickey Williams
TreasurerM. Mickey Williams
PresidentMWJ & Associates
The Financial Services Company14906 Jensford Court Suite A
Bowie, MD 20716Office (301) 218-0220
Fax (301) 218-0220
email: mwilli7265@aol.com

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